B 5 (Official Form 5) (12/07)				
UNITED STATES BA		OURT	INVOLUNTARY	
Southern District of	Indiana		PETITION	
IN RE (Name of Debtor – If Individual: Last, First, M	iddle)		ALL OTHER NAMES used by debtor in the last 8 years	
VHGI Holdings, Inc.		(Include married, ma	aiden, and trade names.)	
Last four digits of Social-Security or other Individual's Tax-I.D. No./Complete EIN (If more than one, state all.): 75-2276137		1		
STREET ADDRESS OF DEBTOR (No. and street, city, state, and zip code)		MAILING ADDRE	MAILING ADDRESS OF DEBTOR (If different from street address)	
103 N. Court St. Sullivan, IN 47882		Same		
COUNTY OF RESIDENCE OR PRINCIPAL PLACE Sullivan		NDE	ZIR CODE	
ZIP CODE 47882		ישעי	E ZIP CODE	
	71002			
LOCATION OF PRINCIPAL ASSETS OF BUSINES	S DEBTOR (If different fro	m previously listed address	ses)	
CHAPTER OF BANKRUPTCY CODE UNDER WH	ICH PETITION IS FILED			
☐ Chapter 7 ☐ Chapter 11				
INFOR	MATION REGARDING D	EBTOR (Check applicab	ele boxes)	
Nature of Debts (Check one box.)	Type of (Form of Or		Nature of Business (Check one box.)	
Petitioners believe:	☐ Individual (Includes Joint Debtor) Corporation (Includes LLC and LLP)		☐ Health Care Business☐ Single Asset Real Estate as defined in 11 U.S.C. § 101(51)(B)	
☐ Debts are primarily consumer debts ✓ Debts are primarily business debts	☐ Partnership ☐ Other (If debtor is not one of the above entities,		□ Railroad □ Stockbroker	
Debts are primarily ousiness debts	check this box and state type of entity below.)		□ Commodity Broker □ Clearing Bank ✔ Other	
VENUE	L		FILING FEE (Check one box)	
		Full Filing Fee attach	Full Filing Fee attached	
a longer part of such 180 days than in any other District.		□ Petitioner is a child support creditor or its representative, and the form specified in § 304(g) of the Bankruptcy Reform Act of 1994 is attached. [If a child support creditor or its representative is a petitioner, and if the		
A bankruptcy case concerning debtor's affiliate, get partner or partnership is pending in this District.	kruptcy case concerning debtor's affiliate, general per		ty a child support creditor or its representative is a petitioner, and y the petitioner files the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.]	
PENDING BANKRI OR AFFILIATE OF THIS DE	JPTCY CASE FILED BY (BTOR (Report information f			
Name of Debtor Lily Group, Inc.	Case Number 13-81073-FJO-11		Date 09/23/2013	
Relationship	District		Judge	
Subsidiary	Southern District of Indiana		Frank J. Otte	
(Check applicable boxes)		COURT USE ONLY		
 Petitioner (s) are eligible to file this petition p The debtor is a person against whom an order States Code. The debtor is generally not paying such debtor 	for relief may be entered und	ler title 11 of the United		
the subject of a bona fide dispute as to liability	or amount;			
b. Within 120 days preceding the filing of this posterior agent appointed or authorized to take charge debtor for the purpose of enforcing a lien aga	of less than substantially all o	of the property of the		

B 5 (Official Form 5) (12/07) - Page 2

Name of Debtor	VHGI Holdings, Inc.

TRANSFER Of Check this box if there has been a transfer of any claim against the		Attach all documents that		
evidence the transfer and any statements that are required under F	Bankruptcy Rule 1003(a).	1 100011 all accuments that		
REQUEST FOR Petitioner(s) request that an order for relief be entered against the debtor uno petition. If any petitioner is a foreign representative appointed in a foreign recognition is attached.	R RELIEF ler the chapter of title 11, United St	rates Code, specified in this order of the court granting		
Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.				
_x /s/ Steven Wallitt	x /s/ Robert D. McMahan	01/07/2014		
Signature of Petitioner or Representative (State title) Steven Wallitt 01/07/2014	Signature of Attorney McMahan Law Firm	Date		
Name of Petitioner Date Signed	Name of Attorney Firm (If any) PO Box 3105, Terre Haute	IN 47803		
Name & Mailing Address of Individual Signing in Representative Signing in Representative Lawrenceville, NJ 08648	Address (812) 235-2800			
Signing in Representative Capacity Lawrenceville, NJ 00040	Telephone No.	-		
_x /s/ Lawrence Brockman	_x /s/ Robert D. McMahan	01/07/2014		
Signature of Petitioner or Representative (State title) Lawrence Brockman 01/07/2014	Signature of Attorney McMahan Law Firm	Date		
Name of Petitioner Date Signed	Name of Attorney Firm (If any) PO Box 3105, Terre Haute	, IN 47803		
Name & Mailing Lawrence Brockman Address of Individual 9025 Wilshire Blvd, #307	Address			
Address of Individual 9025 Wilstlife Blvd, #307 Signing in Representative Beverly Hills, CA 90211	(812) 235-2800 Telephone No.	<u> </u>		
Capacity				
_x /s/ Laura Simon	x /s/ Robert D. McMahan	01/07/2014		
Signature of Petitioner or Representative (State title) Laura Simon 01/07/2014	Signature of Attorney McMahan Law Firm	Date		
Name of Petitioner Date Signed	Name of Attorney Firm (If any) PO Box 3105, Terre Haute	, IN 47803		
Name & Mailing Laura Simon Address of Individual 6631 NW 25th Ave.	Address (812) 235-2800			
Signing in Representative Boca Raton, FL 33496 Capacity	Telephone No.			
PETITIONING (CREDITORS			
Name and Address of Petitioner	Nature of Claim	Amount of Claim		
Steven Wallitt, 12 Abby Dr., Lawrenceville, NJ 08648	Unsecured claim	100,000.00		
Name and Address of Petitioner Beverly I	Nature of Claim	Amount of Claim		
Lawrence Brockman, 9025 Wilshire Blvd #307, CA 90211	Unsecured claim	77,500.00		
Name and Address of Petitioner	Nature of Claim	Amount of Claim		
Laura Simon, 6631 NW 25th Ave., Boca Raton, FL 33496	Unsecured claim	50,000.00		
Note: If there are more than three petitioners, attach additional sheets we people to of periods, each petitioner's signature under the statement		Total Amount of Petitioners'		
penalty of perjury, each petitioner's signature under the statement and the name of attorney and petitioning creditor information in the format above.				
1 continuation sl	neets attached			

Name of Debtor:	VHGI Holdings, I	nc.
-----------------	------------------	-----

Case No.: _____

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

/s/ Ed Dupcak

Date: 01/07/2014

<u>/s/ Robert D. McMahan</u> Date: 01/07/2014

McMahan Law Firm

PO Box 3105, Terre Haute, IN 47802

Phone: (812) 238-9486

Ed Dupcak

Ed Dupcak

74 Tarragon Lane

Edgewater, MD 21037

PETITIONING CREDITORS CONTINUED

Ed Dupcak, 74 Tarragon Lane, Edgewater, MD 21037

Unsecured Claim

25,000.00